

BLANCHARD WALKER

A TRADITION OF EXCELLENCE SINCE 1917

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October 31, 2006

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

Re: HEARING APPLICATION
Alternate Unit Well
JAMES RA SUB
Spider Field
DeSoto Parish, Louisiana
Our File No. 410595.0030

Dear Sir:

On behalf of ST. MARY LAND & EXPLORATION COMPANY, application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the James Formation, Reservoir A, in the Spider Field, DeSoto Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize an additional alternate unit well for James RA SUB, at the location shown on the plat attached hereto.
2. To explicitly find that the proposed alternate unit well is necessary to drain a portion of the James Formation, Reservoir A, in the Spider Field underlying JAMES RA SUB, which cannot be efficiently and economically drained by any existing well in such unit.
3. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The James Formation, Reservoir A, in the Spider Field, DeSoto Parish, Louisiana, was fully

defined in Office of Conservation Order No. 92-M, effective March 11, 2003.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of St. Mary Land & Exploration Company, 330 Marshall Street, Suite 1200, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Mr. Kevin McMaster at (318)424-0804, during normal business hours or write Mr. McMaster at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

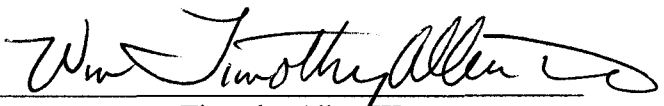
A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plat, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

A check in the amount of \$755.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

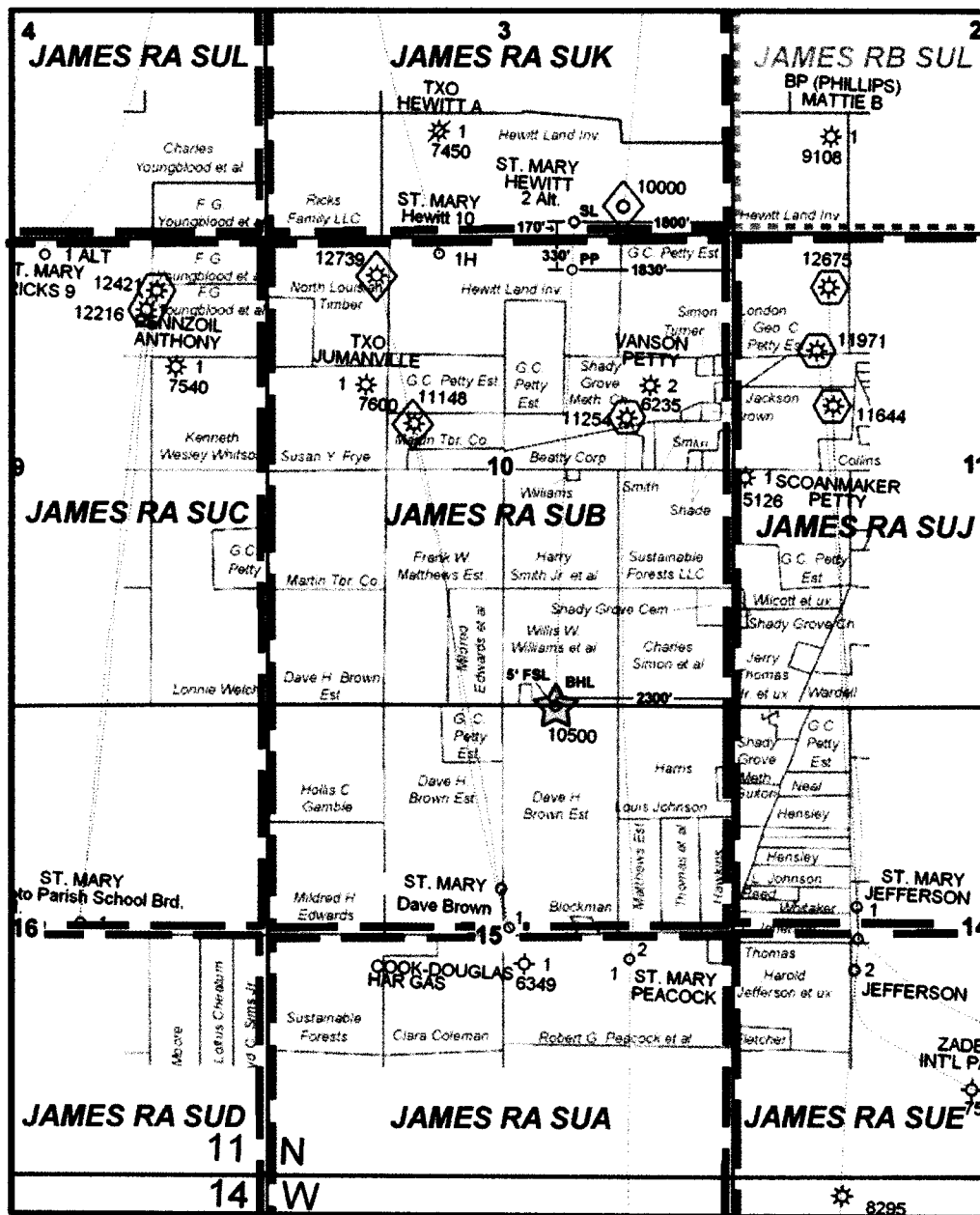
BLANCHARD, WALKER, O'QUIN & ROBERTS

By: 
Wm. Timothy Allen III

Attorneys for St. Mary Land & Exploration Company

WTAIII/kml
Enclosures

cc: Mr. James C. Broussard, Shreveport District Manager,
Office of Conservation (w/enclosures)
Interested Owners, Represented Parties
and Interested Parties (w/copy of plat only)



LEGEND

- Existing James RA Units
- Existing James RB Units
- Existing James RA Unit Wells
- Existing James RA Alternate Unit Wells
- Proposed Alternate Unit Well for James RA SUB

Docket No:
Date:
Exhibit No: 1

ST. MARY LAND & EXPLORATION, CO.

SPIDER FIELD
DeSoto Parish, Louisiana

Proposed Alternate Unit Well
for JAMES RA SUB

2000' 0 2000'